FISCAL NOTE Requested by Legislative Council 12/21/2018

Amendment to: HB 1073

1 A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1 B. County, city, school district and township fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

2 A. **Bill and fiscal impact summary:** Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

see attached

B. **Fiscal impact sections:** Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

see attached

- 3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:
 - A. **Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.
 - B. **Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.
 - C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

Name: John Halvorson Agency: WSI Telephone: 328-6016 Date Prepared: 12/21/2018

WORKFORCE SAFETY & INSURANCE 2019 LEGISLATION SUMMARY OF ACTUARIAL INFORMATION

BILL NO: HB 1073

BILL DESCRIPTION: WSI Injury Services Bill

SUMMARY OF ACTUARIAL INFORMATION: Workforce Safety & Insurance, together with its consulting actuaries, The Burkhalter Group, has reviewed the legislation proposed in this bill in conformance with Section 54-03-25 of the North Dakota Century Code.

The proposed legislation:

- Defines valid functional capacity examination.
- Removes one of the medical exam requirements out of the firefighter/law enforcement presumption statute.
- Allows WSI to establish pilot programs to assess alternative forms of dispute resolution.
- Provides that physicians making utilization review determinations be licensed from a state licensing agency within the United States as opposed to just being licensed in North Dakota.
- Requires healthcare providers to submit medical bills and documentation electronically by no later than July 1, 2021.
- For recurrent disability claims, provides that wages used for benefit calculation to be wages received at time of the recurrence unless the wages at recurrence were lower than at time of initial injury due to limitations from the initial injury in which case wages from initial injury will be used for calculation of benefit purposes.
- Amends the combined benefit threshold for partial disability benefit recipients to a percentage of gross wages rather than net wages.
- Establishes parameters for medical non-compliance and a process for when disability and vocational rehabilitation benefits can be discontinued for medical non-compliance.
- Repeals statute requiring WSI to have an organizational seal.

FISCAL IMPACT: No significant impact to premium rate and reserve levels is anticipated.

DATE: December 21, 2018